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Last week: DJIA 51032.46 ▲ 452.76 0.90% NASDAQ 26972.62 ▲ 2.4% STOXX 600 626.00 ▲ 0.1% 10-YR. TREASURY ▲ 30/32, yield 4.452% OIL \$87.36 ▼ \$9.24 EURO \$1.1662 YEN 159.28

What's News

Business & Finance

- ◆ **Precedents suggest** that the historic stock rally being driven by artificial intelligence and its computing needs could continue despite the heights reached in the past two months. **A1**
- ◆ **In an early big move** by Chief Executive Greg Abel, Berkshire Hathaway agreed to buy Scottsdale, Ariz.-based home developer Taylor Morrison for \$6.8 billion in cash. **B1**
- ◆ **The five biggest** home-insurers as a group didn't pay out on more than 44% of claims resolved last year, forcing homeowners and renters to fund repairs out of their own pockets, an analysis by the Journal found. **A1**
- ◆ **SoftBank promised** to spend at least \$52 billion to establish a network of data centers in France in what would be Europe's largest AI infrastructure project. **B3**
- ◆ **Investors known** for early commitments to software and internet services have begun venturing into physical technologies and materials tied to the AI boom. **B4**
- ◆ **Twenty-year-old** director Kane Parsons had a breakout success with his "Backrooms" feature spun out of a series of popular YouTube videos, earning \$81.5 million at the weekend box office. **A1, B3**
- ◆ **Nearly 1,000 workers** were set to strike at a Michigan factory that supplies axles for GM pickup trucks. **B3**
- ◆ **Apollo Global Management** is investing in Alpine Investors' Apex Service Partners in a deal that values the residential-property-services group at \$10 billion. **B6**

Worldwide

- ◆ **Israel expanded its** military invasion of Lebanon, moving deeper into the country and capturing the high ground of a historic Crusader castle it last held in 2000. **A1, A7**
- ◆ **A far-right candidate** won the most votes in the first round of Colombia's presidential election, a blow to both the ruling leftist party and establishment conservatives. **A8**
- ◆ **Senate Republicans'** anger at Trump's recent behavior and their indignation at his compensation fund have led them to balk at passing bills until concessions are made. **A4**
- ◆ **A Trump adviser** oversaw the awarding of one government contract and pushed for another to two tech companies backed by a venture-capital firm in which he was an investor. **A6**
- ◆ **A radioactive implant** was shown to drastically reduce brain-tumor regrowth in cancer patients and improve survival rates by almost twofold. **A3**
- ◆ **Powell warned against** political pressure on the Fed in his first public remarks since he moved from the body's chairman to governor. **A2**
- ◆ **Over a dozen** Americans exposed to hantavirus on a cruise ship may soon be allowed to leave a Nebraska quarantine unit and isolate at home. **A3**
- ◆ **Graham Platner's** wife flagged sexually explicit texts found on her husband's phone to his campaign for Senate in Maine. **A4**
- ◆ **A White House** memo on Trump's recent physical examination lacks the details to assess his heart health, physicians who read the report said. **A6**

CONTENTS

Mutual Funds.....	B8
Arts in Review.....	A14
Opinion.....	A15-17
Business & Finance B1-9	Personal Journal... A12
Business News.....	B3
Sports.....	A18
Crossword.....	A13
Technology.....	B4
Heard on Street.....	B9
U.S. News.....	A2-6
Markets Digest.....	B7
World News.....	A7-8

Far Right's 'Tiger' Surges Into Colombia Runoff



ELECTION SURPRISE: Abelardo de la Espriella, who promises a drug crackdown and calls himself the 'Tiger,' heads to vote in the first round of Colombia's presidential election Sunday. He finished ahead of a leftist opponent, whom he will face in a runoff. **A8**

Growing Home-Insurance Risk: Claims That Don't Get a Payout

Some carriers are less likely to reimburse policyholders when a disaster strikes

By JEAN EAGLESHAM AND JACLYN JEFFREY-WILENSKY

When disaster strikes, many Americans face a near flip-of-the-coin chance that their home insurer will pay a claim. And the problem is getting worse. The five biggest home-insurers as a group didn't pay out on more than 44% of

claims resolved last year, forcing homeowners and renters to fund repairs out of their own pockets, an analysis by The Wall Street Journal found. The risk that a claim will result in no payment among the group—State Farm, Allstate, Liberty Mutual, United Services Automobile Association and Farmers Insurance—shot up from 36% a decade earlier, according to the analysis. Several factors are driving nonpayment rates higher, according to industry analysts and executives. Prime among them: Insurers are responding

to a yearslong run of postpandemic losses in their home-insurance businesses by getting tougher on claims. One way they have done this is to raise deductibles, or the amount the customer has to pay before the insurer kicks in. Some companies applied higher deductibles to specific risks such as hurricane and hail, and changed certain deductibles from a dollar value to a percentage of the value of a home. They have also set tighter criteria for claims on expensive items like roof replacements. Consumers hit by rising

premiums are themselves selecting higher deductibles to save money, insurers and consumer advocates say. This sets consumers up for disappointment when they put in for claims. Home insurers pitch policies as a peace-of-mind financial safety net. But customers can find the apparent guarantee of compensation for disasters evaporates when they come to claim. Vicky Weidner's four-bedroom, million-dollar home in South Tulsa, Okla., was hammered by a 2024 storm. The *Please turn to page A10*

Israel Takes Lebanon Castle as Invasion Broadens

By ANAT PELED

Israel expanded its military invasion of Lebanon, moving deeper into the country and capturing the strategic high ground of a historic Crusader castle it hadn't held for a quarter of a century. The escalation, which comes after Hezbollah drone attacks that have killed Israeli soldiers and sent Israeli residents running to shelters, is piling more pressure on Lebanon's fragile government and complicating negotiations between the U.S. and Iran, which has made an end to fighting on that front one of its conditions for a deal. Meanwhile, Israeli Prime Minister Benjamin Netanyahu has come under heavy pressure from critics who say he has allowed the U.S. to tie his hands in fighting the militant group. The military's new push includes capturing Beaufort Castle, a nearly 900-year-old elevated Crusader fortress that sits around 9 miles from Israel, across the Litani River that roughly defines the border region of southern Lebanon. Israel previously seized the site during the 1982 Lebanon war before withdrawing from it in 2000. "Our forces crossed the Litani. They seized commanding high ground. They captured the Beaufort Ridge. And *Please turn to page A7*



EDUCATION
A small college in Maryland is staking its financial future on the graying of America. **A3**



SPORTS
The NBA Finals are set for Wednesday: New York's Knicks vs. San Antonio's Spurs. **A18**

No One Agrees How to Keep Sharks Out of a New Club Med
* * *
The South African resort is opening in July, but a debate is raging about a protective net

By ALEXANDRA WEXLER
BALLITO, South Africa—Club Med's expansion into South Africa has run into a problem—and this one's got teeth. The waters off the Indian Ocean coast where throngs of swimmers will soon congregate are home to the world's three most-dangerous shark species. The local government has proposed an old tactic to keep high-paying guests at the luxury resort from becoming chum: Putting a shark net adja-

cent to the beach. Scientists aren't fans of the plan. They say the barriers kill local endangered species such as the Indian Ocean humpback dolphin and the leatherback turtle, and they're not that good at keeping out sharks. Many are caught on the beach-facing side, meaning they'd already roamed around on the inside of the net. "If you put the shark nets in, all these protected species are going to die—that's a guarantee," said Ryan Daly, a senior scientist at *Please turn to page A13*

Bill Gates's Image Is Cracking

Billionaire carefully crafted his persona, but Epstein ties eroded his reputation

By EMILY GLAZER
Bill Gates's employees have spent years carefully cultivating his image—down to keeping a custom-size mannequin to test his outfits for different days of the week. A styling group stores troves of neutral tone crew and V-neck sweaters, button-down shirts, slacks and extra pairs of the Silver Lining Opticians "Carbon" glasses at an off-site building, current and

former employees said. Once options are selected for public-facing engagements, employees usually send three options for approval by senior staff. The goal: to depict someone calm and approachable, like Mister Rogers. That kind of attention to detail—part of efforts by a staff of dozens who handle his and his empire's communications—helped burnish Gates's profile as a brainy bil- *Please turn to page A11*

'Backrooms' Scares Up Gen Z Box-Office Gold

By BEN FRITZ AND JOHN JURGENSEN
The concept for the new horror movie "Backrooms" started with a single eerie photo of a fluorescent-lit room on the message board 4chan in 2019. That image mushroomed into an entire online subculture and inspired a teenager named Kane Parsons to make a series of hugely popular videos on YouTube. Now he has turned it into the No. 1 movie in America. "Backrooms," from indie studio A24, opened with an estimated \$81.5 million at the domestic box office this past weekend. It is the highest-ever debut for a horror film that isn't a sequel or based on a book, not accounting for infla-

tion. Its breakout success is the latest example of how a new pipeline funneling stories and talent from online communities to the big screen is drawing Gen Z audiences into cinemas and shaking Hollywood's conception of what it takes to make a hit. About 86% of ticket buyers were under 35 for "Backrooms," which was directed by the now-20-year-old Parsons. His homemade videos helped expand the Backrooms online mythology that derives its scares from the exploration of creepy empty spaces. That a movie born from an internet meme opened bigger than the latest Pixar release and sequels to "The Devil *Please turn to page A6*